EXECUTIVE ORDER 2006-01

Supplementing Medicare Drug Coverage For Dual Eligible Persons During The Medicare Part D Transition

WHEREAS, the federal government mandated that as of January 1, 2006, approximately 97,000 Arizona citizens who are dually eligible for Medicare and Medicaid services switch prescription drug coverage from the Arizona Health Care Cost Containment System (AHCCCS) to Medicare; and

WHEREAS, dual eligible persons are among Arizona's most frail and vulnerable citizens; and

WHEREAS, despite extraordinary efforts by the State to prepare for this massive change, there remain instances almost two weeks after implementation of members being unable to receive the medication coverage that they require; and

WHEREAS, without the ability to obtain prescriptions, dual eligible persons who have life threatening conditions face immediate and future health care crises; and

WHEREAS, this situation puts the personal health of our citizens in jeopardy; and

WHEREAS, AHCCCS is charged with administering a system of contracts for the provision of medical care coverage for dual eligible persons; and

WHEREAS, this situation is neither a contingency nor an emergency pursuant to A.R.S. § 35-192 because it requires neither state-municipal resource coordination nor Department of Emergency and Military Affairs assistance;

NOW, THEREFORE, I Janet Napolitano, by virtue of the authority vested in me as Governor by the Arizona Constitution and the laws of the State, declare a significant potential for a health crisis in the State, and hereby order as follows:

- 1. Pursuant to A.R.S. § 36-797, the sum of five hundred thousand dollars (\$500,000.00) may be transferred as needed in increments of fifty thousand dollars (\$50,000.00) from the Health Crisis Fund to AHCCCS to pay for the following expenses that may be uncovered during the period January 1, 2006 February 1, 2006 (or any extension of such period that may be granted by further Executive Order):
 - □ Prescription medications for dual eligible persons who have received organ and tissue transplants; and
 - Prescription medications for dual eligible persons with life threatening conditions that need to be immediately filled; and
 - Prescription medications for dual eligible persons who have not been assigned to a Medicare prescription drug plan.

- 2. Any transferred but unused funds shall be remitted back to the Health Crisis Fund at the conclusion of the period specified in paragraph one (1) above.
- 3. In addition, AHCCCS shall endeavor to seek repayment from the federal government of all expenses paid pursuant to this Executive Order. All such repaid sums shall be deposited in the medically needy account of the tobacco tax and health care fund pursuant to A.R.S. § 36-797(G).
- 4. No later than one hundred twenty (120) days following the receipt of Health Crisis Funds, AHCCCS shall submit to the Governor a report on how the funds were spent and the status of efforts to seek reimbursement from the federal government.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the Great Seal of the State of Arizona.

SOVERNOR

DONE at the Capitol in Phoenix on this <u>13</u> day of January in the Year Two Thousand and Six and of the Independence of the United States of America the Two Hundred and Thirtieth.

ATTEST:

SECRETARY OF STATE

